We respectfully urge the chairman to take immediate action to schedule the beginning of hearings on highway construction practices in Louisiana on June 15 or 16, 1964.

Respectfully submitted.

WILLIAM C. CRAMER.
JOHN F. BALDWIN, JR.
FRED SCHWENGEL.
HOWARD W. ROBISON.
WILLIAM H. HARSHA.
JAMES HARVEY.
JAMES C. CLEVELAND.

## RESIDUAL FUEL OIL RESTRICTIONS—A NEW PROPOSAL

(Mr. CLEVELAND (at the request of Mr. MARTIN of Nebraska) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, in my opinion, import restrictions on residual fuel oil should be completely removed. These restrictions are unfair to New England consumers and New England industry, as I have frequently pointed out before. However, if these grossly unfair import restrictions cannot be removed because of political pressures mistakenly applied by the coal mining regions of this country, they should at least be modified.

Mr. John K. Evans, executive director of the Independent Fuel Oil Marketers of America, Inc., has made a proposal to Thomas C. Mann, Assistant Secretary of State for Inter-American Affairs, that is worthy of thoughtful consideration by all who are interested in this important problem. Mr. Evans' proposal and the reasons for it are referred to in a letter dated June 9, 1964, which he wrote to Mr. Mann and which follows:

WASHINGTON, D.C.,
*June 9, 1964.*

HON. THOMAS C. MANN,
*Assistant Secretary of State for Inter-American Affairs, Department of State, Washington, D.C.*

Subject: Residual fuel oil import restrictions.

DEAR MR. SECRETARY: From your past experience with oil affairs as well as your past assignment in Venezuela, you are undoubtedly well informed on the subject. The purpose of this letter is to bring you up to date since this problem is one that is of great concern to Venezuela. It is also indirectly tied in with the restrictions on the importation of crude oil since this nontariff barrier also has a negative impact on the interests of Venezuela. Finally, there has been considerable comment in the trade press with regard to the question of U.S. balance of payments and the need in this regard to divert every possible dollar of offshore procurement by the Department of Defense to the United States. Here again Venezuela's interests are at stake.

For the past 3 years this organization has been fighting for either the removal of controls or the revision of governing regulations on the importation of residual fuel oil. We contend that since this product is in short supply in the United States and since imports merely fill the gap between supply and demand, there is no justification for any import restrictions. As far as the coal industry is concerned (the industry responsible for the adoption of controls by the previous administration), this entire issue is a false one and nothing less than a scheme to create a false shortage in fuels supply and to eliminate interfuel competition by end use control. Imported residual fuel oil competes with coal in a very narrow area on the eastern seaboard—a total of 6 million tons or less than 1½ percent of domestic coal production (according to a study made by the Department of the Interior several years ago). On the question of coal unemployment, this is due entirely to automation of the coal industry—10 years ago a miner produced 6 tons per day, now he produces 18 tons per day, and this is in direct relationship with the employment level of coal miners. Ten years ago 450,000 miners were employed and now just over one-third of that number produce the same volume of coal. It is regrettable that the interests of the Nation have to be sacrificed for the selfish and narrow limited interests of a few coal mine owners.

This organization filed a statement with the Trade Information Committee last November drawing the attention of Governor Herter to the fact that since a special Presidential Study Committee (headed by Office of Emergency Planning Director McDermott) found that residual fuel oil imports were not endangering national security, there is no legal justification for the continuation of these controls under the GATT terms of agreement. It is also pointed out that since residual fuel oil imports represent nearly 5 percent of our total imports, our negotiating committee at GATT was compromised and in a most difficult negotiating position since, under the terms of GATT, all members could exempt 5 percent of their imports—the only trouble is that obviously they will not pick commodities that do not have an impact on our export trade program. Another point to bear in mind is that the tariff on residual fuel oil is approximately 2½ percent ad valorem, an extremely low tariff and one that would have been a fine item to place on the bargaining table for the negotiation.

On the question of the current import program, it seems to us that for very obvious reasons there are not many concessions that can be made to Venezuela on the question of crude oil imports—the only possible areas would be those involving Canadian and Mexican imports and the special double credits that are given to the so-called U.S. tier refineries. On the subject of residual fuel oil imports, the east coast represents a market bigger than the rest of the world. The consumer (which means the 50 million residents on the east coast since they all consume some form of energy) has been forced to pay a subsidy to the coal mine owners in the form of higher prices. Further, to compound this felony, many utilities have been denied a free choice of competitive fuel. For example, Long Island Lighting has been forced to convert from lower cost residual fuel oil to higher cost, more difficult to handle, coal. These conversations have involved millions of dollars in capital expenditures. In the case of many manufacturing plants (for example the paper companies in Maine), the product of these industrial complexes has been priced out of world markets because of the high cost of residual fuel oil created as a result of import restrictions. The current program is not only causing great hardship to the independent marketers, such as the members of this organization, but it has disrupted the entire fuel economy of the east coast. Regulations are such as to eliminate competition among marketers and a cartelization and monopoly system now exists in the east coast marketplace. Consumers are captive to one supplier and, as a result there is no competion for the consumer's business. The regulations are not flexible and, as a result, there is no adjustment for varying degrees of climatic conditions or economic development and activity. This whole chaotic situation has resulted in a system that places a value in an import ticket—the value in each barrel of import allocation varies from 15 cents to 45 cents per barrel depending on climatic, calendar, and economic conditions. These import ticket values not only cause hardship to the independent marketers and the 50 million consumers, but this ticket cost is a direct loss to Venezuela since this "surcharge" is, of course, not a part of the posted f.o.b. price.

While this organization is convinced that there is no economic justification for the continuation of controls, we have reached the conclusion that "half a loaf is better than none." If the independent businessman is going to stay in business, if the consumer is to get the benefit of a competitive market, and if end use control of energy is to be eliminated, then the only solution is to revise the regulations in such a manner as to eliminate the present inequities and do away with the value of tickets.

For your information, there is attached copy of a plan we drafted as a basis for discussion within our Government to the end that current regulations on the importation of residual fuel oil are revised in such a manner as to serve the best interests of our Nation. Basically, this plan creates a procedure wherein a supplier who gets a consumer's business gets the right to import that consumer's requirements of residual fuel oil over and above the volume of domestic residual fuel oil that is available for that consumer.

Since this whole subject is of such vital importance to Latin America, we hope that you will have your staff review the enclosure. Should you have any questions, we are at your service.

Sincerely yours,

JOHN K. EVANS.

## STATEMENT OF ABRAHAM J. MULTER BEFORE JUDICIARY SUBCOMMITTEE URGES GENERAL REVISION OF IMMIGRATION LAW

(Mr. MULTER (at the request of Mr. MATSUNAGA) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MULTER. Mr. Speaker, the Subcommittee on Immigration and Nationality of the Judiciary Committee has started hearings on a general revision of our outdated Immigation and Nationality Act. I was privileged to submit to the subcommittee today the following statement supporting the administration proposal:

STATEMENT OF HON. ABRAHAM J. MULTER BEFORE THE IMMIGRATION AND NATIONALITY SUBCOMMITTEE OF THE HOUSE JUDICIARY COMMITTEE JUNE 11, 1964

Mr. Chairman and members of the subcommittee, I am heartened and gratified by your decision to hold these hearings—the first to be held before a House committee on general revision of the Immigration and Nationality Act since that act was signed nearly 12 years ago.

I am here to urge you in the strongest terms to give favorable consideration to the pending administration proposal, H.R. 7700. My companion bill is H.R. 7855.

A number of alternative proposals have been introduced to amend the basic national origins provisions of the law. I introduced a bill at the beginning of the present Congress (H.R. 552), which provides a somewhat different approach than the administration bill. Many other Members have introduced other alternatives.

Since President Kennedy sent us his recommendations and proposed amendments last July, however, I have felt that we, the supporters of immigration reform, should unite in supporting the administration proposal. I believe it is the best proposal that has been introduced. We have had many years to examine and consider the many im-

migration reform bills that have been introduced in the past. I believe that President Kennedy and his advisers did just that last year and that they evolved the most reasonable, realistic, and workable bill which has been introduced on this subject since the Immigration and Nationality Act was enacted.

The administration bill suggests several changes in the present law. For example, it grants nonquota status to parents of U.S. citizens. This change would have a very minor numerical effect on immigration. Yet it is a change that is long overdue. I can think of no good reason why citizens of this country should be separated from their parents for any length of time simply because a second preference quota number is not available to them.

I would go even further and grant the same nonquota status to parents of permanent immigrants who are awaiting the privilege to become citizens.

The bill also would extend nonquota status to natives of all independent island countries of the Western Hemisphere. Under present law those island countries which have gained their independence since the enactment of the Immigration and Nationality Act are excluded from the provisions granting nonquota status to natives of other independent Western Hemisphere countries. This is a purely adventitious distinction which ought to be eliminated.

Other changes made by the bill include the creation of a new fourth preference category to cover aliens whose occupations are in short supply, and the creation of an Immigration Board, which would participate in issuing regulations, study conditions affecting immigration policy and perform other advisory duties.

These are some of the amendments contained in the bill. I believe that they provide important and reasonable changes in the law.

The most urgent matter dealt with in the bill, however, is the national origins quota system. This, as we all know, is the single issue that lies at the center of the storm which has raged over our national immigration policy for 40 years or more.

The national origins quota system is unjust and unfair. It cannot be justified. It is a rigid mathematical equation with absolutely no basis in reason or sound national policy. It is not sacred writ, as some would have us believe. What is more it has not worked in application—it has not governed our pattern of immigration as it was intended to.

During the last fiscal year, ending June 30, 1963, over 306,000 immigrants were admitted into the United States. The total annual quota during this time was about half of this number, around 157,000. And how many immigrants' admission was actually governed by the quota? The answer, as you know, is 103,036. So in actual practice, virtually two-thirds of the immigrants entering the United States in fiscal year 1963 entered outside the quota. Only one-third came in under the quota. The same is true, approximately, for every recent year.

What type of national policy is this? We, like the Pharisees of old, must make broad our phylactories to convince ourselves that the national origins quota system maintains the racial composition of our people as it existed 44 years ago. Yet this, precisely, is the purpose and the only purpose of the system. But is has not worked.

Nevertheless, it remains on the statute books giving offense to the peoples of the world against whom it unjustly discriminates. And it has put us in the untenable position of preaching racial equality to the people of the world while our national laws contain a basic system of immigration control which, in their eyes, appears to be racial discrimination per se. Believe me, this is an area of our national policy which is known throughout the world, especially in those countries with heavily oversubscribed quotas and those that have been granted the token quotas of 100 per year.

I do not understand why we must maintain this senseless system. The alternative system proposed in the administration's immigration bill seems to me to be clearly more sensible and reasonable.

It provides for the gradual elimination of the national origins quota system. This is the first bill to my knowledge that recognizes the problems that would arise in eliminating the existing system by providing for its gradual phasing out, rather than its abrupt abolition.

The bill contains another special provision to smooth out the transition in changing from the present system. It authorizes the President to reserve a portion of the quota numbers available under the substitute quota system to avoid hardship in the cases of immigrants who would be prevented from gaining admission into the United States because of the reductions in the national origins quotas. The purpose of this provision is to prevent discrimination against natives of those countries that are granted preferential treatment under the present quota system. Since the bill provides for immigration on a first-come, first-served basis, natives of such countries as Great Britain, Ireland, and Germany would not be able to obtain an immigrant visa for some time to come, were it not for this special provision.

The heart of the bill, then, is contained in its provisions creating a substitute for the national origins quota sytsem. In broad outline these provisions are not complex. With the abolition of the national origins system after a 5-year phasing-out period, immigrant visas would be available to any qualified alien without regard to the country of his birth.

In order to qualify for admission, an alien would, of course, have to meet the rigid admissability provisions of the law which, with some minor modifications, are preserved by the bill.

The bill also maintains the existing preference categories, with some modifications.

Thus, under the bill, skilled aliens and close family relatives of people settled here would be given admission preference.

The overall total quota would be increased only slightly, from the present 158,000 to around 165,000. This increase results from a provision of the bill raising minimum quotas from 100 to 200.

Finally, the bill provides that the natives of no one country may receive more than 10 percent of the total quota numbers available in any 1 year. This is to insure that no nation will be able to monopolize the quota to the disadvantage of immigrants from other countries.

Mr. Chairman, these are the basic elements of the provisions of the bill that would substitute for the discredited national origins quota system. They were worked out in consultation with those in the Government who are most familiar with the administrative problems of running the immigration program. I have every confidence, therefore, that they will work.

What is more, they will work in a manner that will not unnecessarily offend anyone, as our present system does. They will not, as some people seem to fear, open up the so-called floodgates to immigration.

This bill provides for a long overdue reform of the basis of our system of quantitative immigration control. It maintains all of our qualitative controls with some modifications which will improve them. There are no sleight-of-hand provisions in the bill designed to expose us to vastly increased immigration. President Kennedy cannot be accused of participating in such a plan. President Johnson has also given his unqualified endorsement to the bill. To those who have such fears regarding this bill, I would echo the words of Franklin Roosevelt that they "have nothing to fear but fear itself."

I most emphatically urge you to give this bill your full consideration and to take the necessary steps to report it favorably.

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## A BILL TO PROHIBIT THE USE OF "FEDERAL", "NATIONAL", OR "UNITED STATES"

(Mr. MULTER (at the request of Mr. MATSUNAGA) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MULTER. Mr. Speaker, I have today introduced a bill to prohibit any corporation, business, or association from identifying itself or from using in its name or its trademark the words, "Federal", "National", or "United States", or abbreviations thereof unless such corporation, business, or association is an agent or instrumentality of the Government or is required or specifically permitted by Federal statute to use such words.

In recent years we have seen a great proliferation of businesses and associations using names and trademarks which have the effect of leading the public to believe that the organization is part of or has the blessings of the Federal Government. Fraud can be and is perpetrated in this manner and the abuse should be stopped by enacting this bill.

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(Mr. GONZALEZ (at the request of Mr. MATSUNAGA) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. GONZALEZ' remarks will appear hereafter in the Appendix.]

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(Mr. O'HARA of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. O'HARA of Illinois' remarks will appear hereafter in the Appendix.]

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The SPEAKER. Under previous order of the House the gentleman from New York [Mr. HALPERN] is recognized for 10 minutes.

[Mr. HALPERN addressed the House. His remarks will appear hereafter in the Appendix.]

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## SUBSIDIES RECEIVED BY 20 COTTON MILLS

The SPEAKER. Under previous order of the House the gentleman from Massachusetts [Mr. CONTE] is recognized for 10 minutes.

Mr. CONTE. Mr. Speaker, between April 11 and June 5 of this year, 20 cotton mills have received subsidies of $20,068,060 under the so-called cotton stabilization program.

After hearing this, I am overwhelmed by the fact that Secretary Freeman re-